LEGISLATIVE PRIORITIES OF VETERANS' SERVICE ORGANIZATIONS

HEARING

BEFORE THE

COMMITTEE ON VETERANS' AFFAIRS
HOUSE OF REPRESENTATIVES

NINETY-SEVENTH CONGRESS

SECOND SESSION

APRIL 29, 1982

Printed for the use of the Committee on Veterans' Affairs

Serial No. 97-64

U.S. GOVERNMENT PRINTING OFFICE
94-805 O WASHINGTON: 1982

H761-24

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LEGISLATIVE PRIORITIES OF VETERANS' SERVICE ORGANIZATIONS

THURSDAY, APRIL 29, 1982

HOUSE OF REPRESENTATIVES,
COMMITTEE ON VETERANS' AFFAIRS,
Washington, D.C.

The committee met, pursuant to notice, at 9:30 a.m., in room 334, Cannon House Office Building, Hon. G. V. (Sonny) Montgomery (chairman of the committee) presiding.

Members present: Representatives Leath, Applegate, Edgar, Nelligan, Sawyer, Smith of New Jersey, Siljander, Dowdy, Stump, Heckler, Brinkley, Mica, and Smith of Alabama.

The CHAIRMAN. The committee will be in order. This is the last day of hearings for the committee to receive the legislative priorities of the veterans' service organizations for the second session of the 97th Congress. The advice we receive from the organizations is an integral factor in this committee's work and today we will hear from AMVETS and the Military Order of the Purple Heart.

Our first witness will be the national commander of AMVETS, Donald R. Russell. Mr. Russell will be officially introduced by our good friend and colleague, Hon. Paul Findley, Representative of the 20th District of Illinois.

Before recognizing Paul to introduce the national commander, I want to remind the organizations that since they are also scheduled to speak to the Senate Veterans' Affairs Committee later this morning, we are a little bit pressed for time. Therefore, in order to have time for questions from the members, I would ask that you keep your oral statement brief, not to exceed 10 minutes. Of course, your entire statement will be printed in the hearing record.

I see at the table our good friend Gabe Brinsky. I want to tell you, Commander Russell, and I know I am not telling you anything you don't already know, what a fine man you have in Gabe. Gabe is well respected here on the Hill. He has been around for a long time and is a professional in every sense of the word. It is a pleasure to work with him. Gabe, it is always good to have you with us. Commander Russell, I would appreciate it if you would introduce the others with you this morning after you have been officially introduced by Mr. Findley.

Paul, we are delighted to have you with us. For the record, I want to state to the members of AMVETS who are here that those of us who serve on the Veterans' Affairs Committee are pleased to have Paul Findley in the Congress. He works extremely hard for the veterans of our country and is a strong supporter of foreign

and defense policies. I simply wanted to have that on record, and Paul you may proceed as you wish.

So, with that, I'd like to recognize the gentleman from the 20th District of Illinois to introduce the national commander of AMVETS.

Mr. FINDLEY. Thank you very much, Mr. Chairman. I appreciate that warm word of welcome.

Donald Russell is a citizen of Illinois. That's for sure. There may be some dispute as to which congressional district he resides in. Thanks to redistricting, there is a little bit of confusion here and there, but I claim him proudly as my own, and I consider it a great privilege to be able to present him to the committee. He has a distinguished record of service to his country and is providing excellent leadership to AMVETS.

Thank you, Mr. Chairman.

The CHAIRMAN. Commander, although Mr. Findley has already had some nice comments to make, let me also read into the record a letter I received from another good friend of yours, Paul Simon, Member of Congress from the 24th District of Illinois.

DEAR SONNY:

On April 29 I am scheduled to speak in California, and on that same day a longtime Friend, the National Commander of the AMVETS, Donald Russell, is scheduled to appear before your House Veterans Committee and testify.

I wish I could be there personally to introduce him. He is an exceptionally fine person. He happens to be a resident of my District and, in addition to everything else, once was a student in a course I taught. He managed to survive that harrowing experience to become one of the most effective leaders of veterans' affairs this Nation has had in a long time.

I know you'll treat him kindly.

Cordially,

PAUL SIMON, *Member of Congress.*

I just wanted to acknowledge these remarks and the high regard Paul Simon has for you.

I would like to have my colleagues join in a round of applause for this commander.

STATEMENT OF DONALD R. RUSSELL, NATIONAL COMMANDER OF AMVETS, ACCOMPANIED BY MORGAN RUPH, NATIONAL EXECUTIVE DIRECTOR, GABRIEL BRINSKY, NATIONAL SERVICE/LEGISLATIVE DIRECTOR, AND MARGARET RUMMEL, AUXILIARY PRESIDENT

Commander RUSSELL. To clarify the record, Paul Simon represents my home district, but my voting residence for the last 18 years has been the 20th, which Mr. Findley represents in New Jersey.

The first item is the medical care program.

As did my predecessor, I, too, have chosen to begin my testimony on the Veterans' Administration health care program. His concerns at the time were deep. If anything, our concerns in this area

of health care for our veterans have grown even deeper during the past year.

It is true that the script has changed. No longer is the Administrator of Veterans' Affairs and the Chief Medical Director assuring us that the quality of health care programs will not suffer from the reductions finally imposed. The present Chief Medical Director has acknowledged that he cannot continue to operate a first-class health care system on decremental budgets. Not enough funding is being appropriated to make up the loss created by inflation.

While the Physicians' Pay Act of 1980, Public Law 96-330, helped to alleviate the critical shortage of physicians, funding to ease the nurses shortage by providing scholarships has not materialized. We understand that in July 1981 more than 1,000 beds had to be closed down.

I consider it a privilege to be accorded this opportunity, as the national commander of AMVETS, to appear before this distinguished committee to present our organization's legislative goals.

I wish to open my testimony by thanking the committee for the role it has played in the enactment of legislation benefiting our veterans in the first session of this 97th Congress.

I would also like to acknowledge the great assistance which your staff, as usual, has accorded my staff. Without their cooperation and assistance to AMVETS, it would not have been able to play as effective a role as it has.

By reason of time constraints, and with the permission of the chairman, I will orally highlight our aims and request that the written remainder of our legislative goals be incorporated into the record.

The CHAIRMAN. Without objections.

Commander RUSSELL. Pardon?

The CHAIRMAN. Without objections, the full statement will be put in the record.

Commander RUSSELL. Thank you.

Thank you very much.

And before I go into this, I would like to introduce the other members who are here with me. First of all, our national president of the auxiliary, Peggy Rummel, from by reason of the nursing shortage.

We would like to express our appreciation to the Chief Medical Director, Donald Custis, for the concentrated and valiant attempts being made to relieve the situation. While ingenuity and searching studies for solutions may help, the bottom line is stymied by dollars.

In our opinion, there is none better in scope and function than the VA medical health care program. It is cost-efficient, directed to its constituency, and modeled to service its specific specialized needs.

The diversity of its clientele, in terms of variety of medical disabilities, its affiliations with the academic community of this country, its research programs, and its dedication of purpose to those whom it serves, makes it indeed a unique establishment.

Yet there are those who would change all this. There are those who would forget that the nation, through the Congress of the United States, has said to the veterans who served that this is your

health care system. And we believe that Congress intends to keep it so. This view, however, is not shared by all.

Some would have the VA health care system absorbed into the private sector, either through mainstreaming or a national health care program. The waters are always being tested as to whether or not this may be accomplished. The American Medical Association realizes, according to prognostications, that there will be an excess of medical personnel in the years to come.

This is obvious by the American Medical Association resolution No. 111, which, in effect, provided for steering the sick and disabled veterans into private facilities to be cared for by private physicians.

The age of our veterans continues to increase. In the next five years, the veterans of World War II will have the average age of 66 years. As they age, their medical needs become more acute, and the demands imposed upon the medical health care system become greater, yet the necessary funding is not being provided to keep up with the demands.

Should this trend continue, it is obvious that the VA will not be able to fulfill its commitment of providing health care to our veterans, and the next step is the phasing out of the VA medical health care program.

As an organization born of World War II, and in sympathy with our comrades, the doughboys of World War I, we have been extremely interested in the area of geriatrics. We continue to be extremely grateful to Congressperson Margaret Heckler, and members of this committee, for their efforts on behalf of our aging veterans.

We continue to believe that this problem, and it will be a challenge of taking care of aging veterans, presents a challenge which must be met by the Veterans' Administration. Much must be done, by delving into the mysteries of the aging process, and what can be done to aid our senior veteran citizens. It has been our consistent view that innovative, creative, and, yes, even daring approaches, must be resorted to in order to adequately treat the problem.

We appreciate what the Veterans' Administration is attempting to do in this area, but we continue to feel that it is not moving fast enough, and time is not being considered as of the essence in responding to this need.

While we regret the elimination of scheduled hospital constructions, we are particularly disturbed that the Camden, N.J., facility has been cancelled, for this was to be a prototype for the practice of geriatrics medicine. It was the only new hospital scheduled for this system.

We feel that not only will the veteran be affected by this cancellation but so will the American people. The American community at large has frequently benefited from the discoveries provided by the VA medical health care system.

In concluding my remarks on the veterans' health care, I would like to invite the attention of the committee to the role played by the State veterans' homes. We, in AMVETS, are extremely grateful to the various States which provide care for our veterans. While the Federal Government is most generous in providing funding, it is doubtful whether alone it could provide either the extent of care

in quality or quantity as is now provided to our veterans, without the States veterans homes.

In our view, the ever increasing demands will continue to grow as our veteran population ages, and the need for participation of states in providing for our veterans will ever increase.

We see nothing incongruous with the States sharing in the costs to care for our veterans. We firmly believe that such joint endeavors should be encouraged by the Congress.

The Office of Management and Budget, circular A-76.

We would like to comment briefly on OMB Circular A-76 because of the seriousness with which AMVETS views it. A more detailed statement is attached, to be made a part of the record.

AMVETS has testified in detail before this committee as to why it believes that OMB Circular A-76 should not be applicable to the Department of Medicine and Surgery of the Veterans' Administration. The day before yesterday, AMVETS voiced its objections before the Subcommittee on Oversight and Investigation of the House Veterans' Affairs Committee on OMB's proposed draft revision of A-76.

I will not reiterate the reasons. The bottom line is that we are of the view that the Department of Medicine and Surgery now possesses the authority to contract out when it so desires. It should do so when management feels that it is advisable. The flexibility to do so should remain as a management tool. There is no need, in our opinion, for the constraints and mandates imposed by the circular.

AGENT ORANGE

During the 96th Congress, AMVETS testified before this committee urging a calm approach to what appeared to be a traumatic, explosive, and sensational issue. Allegations of birth deformities and innumerable ailments attributed to exposure to agent orange were alleged. At the time there was no scientific support for these allegations. By reason of the prevailing hysteria, it was our position that we should await the results of any proof that the disabilities alleged were due to exposure to dioxin.

We continue to be of this view, but at the same time we are aware that the Veterans' Administration has not proceeded with the urgent dispatch which we should have preferred to see. In a constructive way, we have encouraged our national service officers to urge all those who have been exposed to the defoliant to seek an examination, and to see to it that their claims are documented so that they might be subsequently established.

In this connection, AMVETS has issued a pamphlet entitled, "A Self Help Guide," in which we encourage all Vietnam veterans who have been exposed to agent orange to seek an examination by the Veterans' Administration, and the pamphlet outlines the various steps to be followed.

This publication has been favorably received, and we hope in this manner, through cooperation with the Veterans' Administration, to assist in resolving this very sensitive and important problem which faces our Vietnam veterans.

On veterans' employment, in the view of AMVETS, there are two areas relating to the Vietnam veterans which require immedi-

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ate attention. One is the resolution of the agent orange dilemma, and the other is the matter of employment.

While we are concerned with the unemployment of all veterans, that of the Vietnam veteran is particularly disturbing. He suffers a much higher unemployment rate than his nonveteran peers, and the unemployment rate of the Vietnam veteran appears to be growing.

Hopefully, with the establishment of the position of Assistant Secretary of Labor for Veterans Employment, which has just recently been filled, advances in the area of veterans' unemployment will be made.

A few months ago, I addressed a letter to the President of the United States expressing our concerns and suggesting possible actions which might be considered to relieve the situation that exists in this area. These suggestions are incorporated in the appendage which I have requested to be made a part of the record.

FORMER PRISONERS OF WAR

We are appreciative of the efforts of this committee in behalf of the former prisoners of war, which is reflected in Public Law 97–37. Yet we believe that further studies in their behalf are required. The legislation enacted by the last session corrected certain inequities which existed.

Still, as AMVETS have testified, the legislation has not been encompassing enough. We are of the firm view that there are certain areas of disabilities, particularly in the cardiovascular domain, which may be causally related to a wartime interment.

We believe that further studies in this area are indicated, as well as in other fields of medicine. There is evidence indicating certain neurological ailments as being causally related to wartime imprisonment. In fairness to this segment of our veteran population, we believe that the Congress should mandate further medical and scientific studies, and more detailed reasons for our beliefs are set forth in our written report.

PENSION BENEFITS

As this committee is aware, AMVETS was born of World War II. As a result, our comrades who fought in World War I are not eligible for membership in our organization. Nonetheless, we as veterans believe that as a group they are special. Their contribution to this Nation will never be forgotten, and such legislation would be but a token expression of a grateful nation for their services. Their numbers are rapidly diminishing and their average age is in the mid-1980's. If this Nation is ever to take steps to express its gratitude in a tangible way, it must do so now.

As regards Public Law 95–588, the Improved Pension Act, we continue to be of the opinion that section 542 of title 38 U.S.C., chapter 15, should be amended to increase the rate of pension to a child where there is no surviving spouse. We believe that the current rate payable is inadequate and completely inequitable.

In conclusion, I would like to state that AMVETS will continue to do what we can to assist this committee in its efforts in behalf of

our veterans. In order to do this, we have added to our legislative staff.

In a final note, may I express our appreciation for the contribution made by this committee to the veterans of our Nation.

Thank you, Mr. Chairman, and members of the committee, for the courtesies which you have extended to me and my staff, and the other AMVETS present. Thank you.

The CHAIRMAN. Thank you, Mr. Commander, for that well thought-out statement. Generally, I can say as an individual, I could support the items that the AMVETS have taken the lead on.

[The prepared statement of Comdr. Donald R. Russell appears on page 17.]

The CHAIRMAN. At this time the Chair would like to recognize the gentleman from Michigan, Mr. Sawyer.

Mr. SAWYER. I just wish to thank the commander and say that I enjoyed the presentation, and I concur in what the chairman observed.

Thank you. I yield back.

The CHAIRMAN. Thank you. And I thank you, Mr. Sawyer, for your excellent attendance. The Chair appreciates it very much, as well as the other members. I believe the Republicans are having a caucus this morning, and that is one reason that they are not here. I thank you, too, for being here.

Mr. SAWYER. I left the conference to come here. I thought this was more important.

The CHAIRMAN. Thank you, sir.

Mr. Brinkley of Georgia.

Mr. BRINKLEY. Thank you, Mr. Chairman.

Commander Russell, I just wish to add my appreciation for your being here. We have the highest respect for AMVETS. I'm grateful for the views of your organization and we hope to be a partner in providing the matters that you deem as priorities, and we hope to be working closely with you and with your legislative assistant, Mr. Brinsky, and others.

Thank you, Mr. Chairman.

Commander RUSSELL. Thank you, Congressman Brinkley.

The CHAIRMAN. Thank you, Mr. Brinkley. Mr. Stump of Arizona.

Mr. STUMP. No comment, Mr. Chairman.

The CHAIRMAN. Mr. Leath of Texas.

Mr. Leath was here and he had to leave.

Mr. Nelligan of Pennsylvania.

He's one of our newer members, but he comes, and he always gets recognized first.

Mr. NELLIGAN. Thank you, Mr. Chairman.

I guess there's some benefit to not having your name set up when you come in, so you get up here in the top rung.

I would like to acknowledge, Mr. Chairman, the presence of a gentleman from my district who is here checking on me.

I left the conference, you see, because I knew he was going to be here. Really, I didn't. It's Lenny Polis, who has dedicated a lifetime, I might say, to veterans. I would like to point out that he, myself, and the Vice President of the United States are members of the AMVETS post in Hanover Township, which is in my district.

I would also like to mention one thing. There has been a lot of controversy and a lot of talk about OMB Circular A-76. I, for 16 years, as a member of the General Accounting Office, have audited the so-called in-house versus out-house as to, which is more efficient, which is more proper, and let me say that I think in most respects, based on my experience, that it is much more efficient and serves the recipient much better if it's normally done in-house.

I would like to go on record as saying that I am opposed to veterans' services being extended out-house, and that not only goes for veterans' services but for many others in the Federal Government.

Thank you, Mr. Chairman.

The CHAIRMAN. Thank you.

For the benefit of the members, Mr. Nelligan touched on an important point. We had a hearing yesterday of the Subcommittee on Oversight, and the OMB didn't even show up to testify on contracting out. Our committee might have to seriously take a look at some type of legislation, as the Armed Services Committee has done, that delays contracting our until we find out, really, what they're trying to do, and let this committee at least know what action OMB and the Veterans' Administration will take.

So we're watching it with concern, about contracting out.

Mr. Applegate of Ohio.

Mr. APPLEGATE. Thank you, Mr. Chairman.

I, too, just want to add my commendations for a very articulate, well thought-out proposal. We are certainly going to look at it, and hopefully we are going to do those things which you are asking. I want to commend you, Mr. Russell, and your great AMVET organization, as well as all the veterans organizations in this country for all that they have done for us.

Thank you.

The CHAIRMAN. I might point out to the commander of AMVETS that there's a very good chance that Mr. Appelgate could be the new chairman of the Subcommittee on Compensation and Pensions. Mr. Hall of Texas has decided to take a subcommittee chairmanship on the Judiciary Committee, and Mr. Applegate is seriously considering that position. It will have to be handled by the Democratic caucus of this committee, but Mr. Applegate, if he wants it, I believe is going to get it.

Mr. Mottl of Ohio.

Mr. Smith of New Jersey.

Mr. SMITH. Thank you, Mr. Chairman.

I just want to commend Mr. Russell for his fine statement, and also to point out that I, too, share his concern over the cancellation of the Camden VA geriatrics hospital. As you know, and as members of this committee know, there has been a great deal of money already spent on that particular hospital. When the rescission came down, it's unfortunate that the money was lost. Hopefully we may be able to recoup it at some point in the future, if not there, perhaps at some other location in New Jersey.

I might point out, and this kind of parallels your testimony, that one study that I saw pointed out that between 1980 and 1990 the number of geriatric patients in that central part of New Jersey and southern part of New Jersey will double, and we will not have the facilities to handle that unless we begin to move to provide for it.

So, thank you for your comments, and I'll be working, and I believe every member of this committee will be working, too, to meet that need in the future.

Thank you.

The CHAIRMAN. Thank you.

The Chair would like to recognize the gentleman from Pennsylvania, Mr. Edgar, chairman of the Education Subcommittee.

Mr. Edgar.

Mr. EDGAR. Thank you, Mr. Chairman.

Thank you, Commander, for your statement.

As Mr. Nelligan recognized, he is a member from Pennsylvania of the AMVETS who is doing an excellent job on your behalf. There are two others in the room who are also doing a good job as national service officers. Dick McCleary is here, and also Bill Zerko is here. I would just like to applaude them for their activities of sensitizing us.

We also have in the room Ralph Hall, who is the Director of Veterans' Employment Services, who works with us and the Department of Labor, to try to put together the pieces of an employment program and make sense out of all of the different kinds of programs that are there.

I commend you for the letter that you sent to the President requesting a separate focus on the needs of particularly the Vietnam veterans who are finding themselves out of work with the 9 percent national unemployment and unemployment growing.

There are presently 750,000 unemployed Vietnam-era vets, and more than ever before we need to focus our attention on them because that group is growing. I would hope that you might share a copy of the letter that you're sending to the President with us for inclusion in the record, because I think it would be a helpful addition to your statement.

Thank you for your presentation today.

Oh, Mr. Chairman, one other thing I might mention just before I yield back my time. I did introduce on behalf of the AMVETS a piece of legislation to extend your charter to post-Vietnam-era veterans, and others, and this was one of your national resolutions, and it's my hope that serious consideration will be given to that piece of legislation.

The CHAIRMAN. Thank you, Mr. Edgar.

The Chair would like to recognize the gentleman from Mississippi, Mr. Dowdy.

Mr. DOWDY. No comment, Mr. Chairman.

The CHAIRMAN. Thank you, sir.

The gentleman from Florida, Mr. Danny Mica.

Mr. MICA. Thank you, Mr. Chairman.

I'd just like to briefly say, that I will be taking the testimony of both of our panels with me. We are in the process of two other committee meetings at this very moment, but I wanted to come by and say I do appreciate the testimony that we get, and add, as I always do, that whatever problems that are being experienced by veterans in the United States, we in Florida see it compounded.

I have been on this committee for 36 months, and for 36 months straight, without stop, we have had 5,000 additional veterans a month move to Florida. We are having severe strains on the VA,

and if we're going to lead the way, and surely have a model for the Nation, as the VA told us Florida would be, we've got a lot of work to do.

So we appreciate your testimony, and I apologize for having to go back to the other meeting.

Thank you, Mr. Chairman.

The CHAIRMAN. Thank you very much.

The Chair would like to recognize the gentleman from Michigan, Mr. Mark Siljander.

Mr. SILJANDER. No comment, Mr. Chairman.

The CHAIRMAN. Very well.

Mr. Commander, you got off pretty light here this morning. As I said earlier, we liked your testimony, and I know you have to go to the Senate now, and I want to commend the auxiliary that's here today, and also the members of the AMVETS. I personally like the uniforms that you have, like the sergeant-at-arms group. I recognize some of them from year to year, and want them to keep coming back. I like the caps that the members wear. It makes our job easier on Capitol Hill, when we have votes on veterans, when we know we have a lot of veterans out there. I am proud you are here today.

Thank you very much, Mr. Commander.

Commander RUSSELL. Thank you again for your kind attention.

The CHAIRMAN. Thank you.

We will now call on our Purple Heart commander to come to the podium.

[A brief recess was taken.]

The CHAIRMAN. The committee will come to order.

I thank Commander Brigstock for being here, and after Mr. Sawyer has introduced you, I'd like for you to introduce those persons with you.

But before that, I would like to thank you for this very attractive plaque that you have given me, and, as I understand it, you have given one to Mr. Hammerschmidt, and also to one other member of this committee.

Thank you, sir. We are proud of our Purple Heart winners, and, as I notice, some of you, especially at the table and in the audience today, not only do you have the Purple Heart but you have some of our Nation's highest decorations.

So, at this time, the Chair would like to recognize a member of this committee, Mr. Sawyer of Michigan, to introduce Purple Heart Comdr. Duane T. Brigstock.

Mr. SAWYER. Thank you very much, Mr. Chairman.

It is really an honor and a privilege, me being a fellow Michigander with the commander to have the privilege of introducing him. As you know, the Purple Heart is the oldest of our decorations. It was created by George Washington himself. While some others may be debating whether people are entitled to other medals or not, there's not much doubt about the Purple Heart, when somebody earns that, they bleed in battle for their Nation, and, as you have observed, most of them have other decorations that were received probably in part of the same action.

Duane T. Brigstock, the national commander, became eligible for the Military Order of the Purple Heart during World War II. In

July of 1944, he was wounded in St. Lo, France, and after he spent some time in England in hospitalization, he returned to Paris and became the chief of personnel for Stars and Stripes, the world-wide Army newspaper.

He has had quite a history in veterans' affairs. He's been a department commander of the American Legion in Michigan, a national committeeman—in 1965—and a national committeeman in 1969. He served for 11 years on the board of the Michigan State veterans' trust fund, which is a $50 million fund, and served for 2 years as chairman of that fund.

He was given the Minuteman Award by Governor Milliken of the State of Michigan in 1977, one of our highest recognition awards by the present Michigan Governor. He has served 20 years on a Selective Service board, 7 years as chairman of the board, and he has had, really, a very illustrious career. He worked in the Federal Government as a civilian employee. He was a training officer for the Veterans' Administration, a personnel officer at Percy Jones Hospital, and then served at very high administrative jobs for the Civil Defense Administration.

He is now retired, as of 1979, but he is still very active in public affairs, not only with the Purple Heart organization, but he is chairman of the local planning commission in Battle Creek, and is a member of the clean community board in Battle Creek, too.

It is a real privilege for me to introduce one of our very distinguished veterans from the State of Michigan.

[Mr. Stump assumed the Chair.]

Mr. STUMP. Thank you, Mr. Sawyer.

Mr. Brigstock, if you would like to introduce those accompanying you before you start, we would appreciate it.

STATEMENT OF DUANE T. BRIGSTOCK, NATIONAL COMMANDER OF THE MILITARY ORDER OF THE PURPLE HEART, ACCOMPANIED BY DONALD J. ARTHUR, SENIOR VICE COMMANDER, FRANK A. ATHANASON, ADJUTANT GENERAL, RICHARD J. GALLANT, SERVICE DIRECTOR, AND MAURICE LOIR, LEGISLATIVE DIRECTOR

Commander BRIGSTOCK. Yes, Mr. Chairman.

First, I want to thank Congressman Sawyer for the warm words of welcome.

On my left is Maurice Loir of New York. He is our national legislative director.

The next, national commander of the Military Order of the Purple Heart, Don Arthur, from Orlando, Fla.

Our national service director, Richard Gallant.

Our national adjutant general, Frank Athanason.

First, Mr. Chairman, Mr. Montgomery, I want you to know how much pleasure it was for us to present you with that well deserved recognition from this organization. It is truly deserving and we appreciate your support.

Mr. STUMP. Mr. Brigstock, your entire testimony will be made a part of the permanent record, and if you'd care to summarize, we'd appreciate it.

Commander BRIGSTOCK. Thank you, sir.

Mr. Chairman, distinguished members of the Committee on Veterans' Affairs.

I feel privileged to be here today and to be allowed to take a few minutes of your valuable time.

The legislative position of my organization has been provided to your committee, and I feel certain that it will be closely considered and included in the Congressional Record, of which you have just assured me.

Mr. Chairman, we fully recognize the difficulties the Congress is having with the Federal budget and we understand that cost savings, no doubt, will have to be realized.

We ask that you continue your vigilance to insure that no legislative maneuvering during the development of various courses of action catches the veteran in a situation that will deny him those benefits that this committee has so ably supported.

Because of our Nation's economic situation, I believe now more than ever an even closer working relationship must be developed between Congress, through your committee, and the veterans' organizations.

Under the specter of the current budget deliberations which cannot have other than an eroding effect on veterans' entitlements, whom can we look to for help other than the Congress and the voters who made their desires known to you?

For years, the veterans have heard great promises from each administration. Yet when the opportunity to fulfill this commitment occurs, there is a weakening and evasiveness to that commitment, leaving the veteran in a quandry. We ask you to insure that the desire to cut the budget does not take precedence over these commitments, while at the same time realizing that we must look to Congress to help us in our fight.

Mr. Chairman, together we must work to eliminate the continuing changes, or threat of change, that would endanger veterans' benefits and leave our veterans confused.

An example is the proposed 8.1-percent increase for compensation, which is a gain, but the proposed elimination of dependency allowance for those rated less than 50 percent disabled is totally detrimental.

This is the type action that presents uncertainty to the veteran because the veterans' benefits would be reduced overall. This kind of proposed legislation fosters the questionability of the sincerity of our Government concerning veterans' benefits.

We are gravely concerned that each administration, and many old and new Government officials, appear to have the attitude that veterans' benefits are fair game for reduction when it comes to preparation of the Federal budget.

America's veterans paid a terrible price to insure our liberty, and we must exert every effort to protect them from those who refuse to recognize their sacrifice.

We ask you to keep fighting against reducing veterans' benefits, because without you and your colleagues who support the veteran it would not be long before they would be relegated to a classification of a welfare recipient. Our veterans do not deserve this, and I am positive you will not let it occur.

The Military Order of the Purple Heart has always made an effort to be objective and to approach veterans' benefits with a strong degree of moderation. We are service-connected veterans, yet we support all veterans.

The proposed Veterans' Administration budget for fiscal year 1983 causes us concern in some areas, especially their proposal for elimination of dependency allowance for veterans rated less than 50 percent disabled, and the elimination of the subsistance allowance for vocational rehabilitation dependents is severe, and we nonconcur, in the strongest terms possible, with this proposal.

The proposed budget for health care is acceptable, and we hope that it is the beginning of a firm recognition of need and not a temporary respite because of the time.

Mr. Chairman, for several years we have watched an unfavorable evolutionary change in the philosophical and ideological approach to veterans' affairs. This changing attitude is being manifested in varying degrees by both our elected and appointed Government officials.

We attribute part of this to the increasing numbers of nonveterans occupying positions that can influence the policy and the decisions affecting veterans' benefits.

These individuals apparently do not fully understand the sacrifices our veterans have made, and continue to make, because of their wounds so we may enjoy the liberty we have in this great Nation because of their service.

It is further exacerbated by those who would place veterans under the spectrum of their total social welfare syndrome that permeates their every thought concerning benefits or entitlements instead of recognizing the special status that this Nation has bestowed on our veterans.

This concern has been discussed with the Administrator of the Veterans' Administration, and he has cited to me examples that he has been contending with this, and that he was in the process of reorienting the individuals and redefining policy to conform to the purpose of the Veterans' Administration.

This attitudinal change worries us because, like you, we have witnessed this change and see it continuing. It has been manifested by attacks on virtually every veterans' program, including attempts toward their elimination, to underfund or to not fund at all.

We also have heard of a recent proposal that is designed to combine or to integrate veterans' benefits into other social program entitlements. This action would probably reduce or, in some cases, even eliminate certain veterans' benefits. It would also deny the veteran benefits from other programs that he has contributed to or is entitled to by law.

We cannot support those proposals that will deny our combat-wounded veterans the support that this Nation has provided to them and which, we believe, the Nation wants continued.

Believing this, the recent change denying burial allowance to those not in receipt of or entitled to compensation or pension nas caused us concern. We addressed this issue to you earlier this year. We ask that our concern be translated into authority and funding. Similarly, we view the planned reduction of beneficiary travel by $17 million as an act that will, in most instances, hurt those veter-

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ans who can least afford this expenditure. It could result in many veterans not receiving medical care because they are unable to defray the cost of travel to a medical facility.

We ask that you review this issue again and its potential impact on the veteran. We know cost savings are necessary, but this may not be the area to realize it.

Continuing studies by the Veterans' Administration on the aging veteran are necessary, but there must be a time limit, a decision rendered, and actions taken.

The aging veteran is here now, and the ranks increase every day. As yet, there is no firm, long-range plan to provide the requisite care to these veterans. We ask for your oversight on this matter, for the field of gerontology will be a paramount issue with the Veterans' Administration in the very near term. Probably we will see a major impact within 3 years.

There is a commaraderie that prevails among our membership because of our unusual ties. We are the combat wounded. Accordingly, we are deeply concerned with the Veterans' Administration's rating schedule, specifically that portion that deals with evaluations assigned combat wounds.

The Congress authorized the Veterans' Administration to write the rating schedule. The Military Order of the Purple Heart endorsed the 1945 edition when it was originally edited. Since its issuance there has been no material change in evaluating combat wounds, and I hasten to add that no portion of the rating schedule is more comprehensively stated than is this section. It covers the better part of 5 pages of the schedule, pages 17 through 22. The instructions are clear, and I quote verbatim the portion pertaining to moderate disability of muscles.

> Through and through, or deep penetrating wounds of relatively short track by a single bullet, or small shell, or shrapnel fragments, are to be considered as of at least moderate degree.

Further, to fortify the intent of the Veterans' Administration to provide a moderate evaluation in retained metallic bodies in the muscle, under the slight evaluation, the last sentence under, quote, "Objective Findings" states, "No retained metallic fragments."

As we interpret this, it was intended to mean, if there are retained foreign metallic bodies, that the evaluation of the muscle injury should be moderate in degree.

The reason for us calling this section of the schedule to your attention is that, in our judgment, there has been a gradual deterioration in applying the liberal provisions of the rating schedule, probably more prevalently from the beginning of the Vietnam war.

There may be many reasons for this deterioration. Perhaps the most important is that the wounds of the victims of the war in Vietnam were not as disabling as the same type of wound our World War II and Korea veterans. Second, the pervasive negativism that abounded during this conflict; and third, the general apathy of the public. The farther we get away from war the sooner we forget those who made the sacrifices.

As national commander of the Military Order of the Purple Heart, I would be derelict in my duty if I failed to bring my concern to your attention.

I think this issue could be resolved without too much of a problem if the Veterans' Administration would join with me in my effort to restore compliance with the pertinent section of the rating schedule.

The combat-wounded veteran represents a very small segment of those who served their country with honor, but those who so served were threatened on every side with destruction.

In the interest of equity, the World War II, the Korean, and the Vietnam veteran, all should be compensated equally for the same type wounds. We believe this is not only in the interest of justice but in the best interest of our national defense. Should our sons or grandsons be required to serve on the battlefront, they will need to know their country will stand behind them should they become disabled in combat.

Mr. Chairman, the cost of war does not end when the last shot is fired. All we need to do is to visit our VA hospitals to know that this is so.

The Purple Hearters know the trauma of the battlefield and the hope that each soldier has to return home. Because of this experience, we express our gravest of concerns over the continued lack of a resolution on our missing in action and prisoners of war from the Vietnam conflict.

This is intolerable. We feel a close kinship to these comrades-in-arms, and in the strongest terms possible we ask for them, because they cannot, that this Government take the strongest action possible to bring back those who are alive and to recover the remains of those who are no longer with us. Remember, the war cannot be over even if only one of our soldiers is a prisoner.

Mr. Chairman, similarly, we veterans owe what we have today, in a large part, to our fellow soldiers of World War I. They probably are the most put upon group of veterans in our lifetime. Now that they are in the ebbing twilight of their years these heroes of ours are asking for compassion, understanding, and a last recognition of their devoted service to their country. It is passage of House Resolution 1918. We ask you, in your infinite wisdom, to do all that you can to grant what is probably their last significant request.

We support a strong national defense and the necessary expenditures related thereto. However, we expect the Congress to maintain strict standards of accountability to insure the most effective use of these funds.

Further, the implementation of the draft is a reality. We support it along with adequate remuneration. This action will encourage retention of current and future military personnel.

Mr. Chairman, I realize that this may not fully fall under this committee's jurisdiction, and this is a very recent happening, but we'd like to bring it to your attention.

The recent ruling by the U.S. Circuit Court of Appeals that Congress violated the Constitution by granting tax exempt status to veterans' organizations that lobby has potential far-reaching consequences.

The case has been returned to the district court level with instructions to remedy the consititutional problem, either by restricting the tax benefits accorded veterans' organizations or ex-

tending those benefits to charitable and educational organizations engaged in lobbying.

Judge George E. McKinnon, in a dissenting view, wrote quote:

> Veterans' organizations are essentially different in character from other charitable and educational groups. Congress has recognized that veterans' groups are unique entities having differing structures and differing purposes.

We ask for your vigilance in this matter and for appropriate actions to preserve what Congress has provided to the veterans.

Mr. Chairman, 1982 is a special year for the recipients of the Purple Heart. It is the 250th birthday of Gen. George Washington who initiated the Badge of Military Merit, now known as the Purple Heart.

It is the 200th anniversary of General Washington's signing of the general order for this award, and it is our organization's 50th anniversary. Appropriate ceremonies commemorating these events are being conducted across the Nation.

We will highlight these events on August 7 at Newburgh, N.Y., at the site where General Washington signed the general order for the Purple Heart.

Mr. Chairman, I would like to extend an invitation to you and all the members of this committee to join us in Newburgh on August 7.

Mr. Chairman, and members of the committee, the Military Order of the Purple Heart is indeed in your debt. We have constantly relied on you and the efforts of your excellent staff to keep the interests of the veterans before your colleagues.

We wish to thank all of you for your personal interest and wish you continued success in achieving the objectives of meeting the needs of our veterans. We totally support you in this endeavor, and thank you, Mr. Chairman, for this opportunity to appear before you today.

Mr. STUMP. Thank you, Mr. Brigstock, for a very fine statement.

Let me assure you that this committee will continue to do its part to see that the veterans of this country are taken care of and receive the benefits to which they are entitled.

Commander BRIGSTOCK. We know you will. It's some of your colleagues that we worry about.

[The prepared statement of Comdr. Duane T. Brigstock appears at page 24.]

Mr. STUMP. Mr. Sawyer.

Mr. SAWYER. No comment, Mr. Chairman.

Mr. STUMP. Mr. Nelligan.

Mr. NELLIGAN. I have no questions, Mr. Chairman, but I would like to commend the gentleman for his very profound and thoughtful statement. As a new member of this committee, you have certainly brought a few things to my attention. I thank you for that.

Commander BRIGSTOCK. Thank you, sir.

Mr. STUMP. Mr. Smith.

Mr. SMITH. No comment, Mr. Chairman.

Mr. STUMP. Mrs. Heckler.

Mrs. HECKLER. I would simply like to thank the commander for his statement. I want to say that we will take it under advisement. Certainly, there is a great sense of commitment on this committee,

but I think you are quite correct in your assessment of our colleagues. There's more division of view there.

I want to say that of all veterans in America there is no veteran who qualifies more for recognition or benefits from the U.S. Government than your organization and its members who have earned special recognition by special sacrifices and special valor.

It is a very great pleasure and privilege to have your testimony as part of our record.

Commander BRIGSTOCK. Thank you, Mrs. Heckler. You have certainly been a friend of the veteran as long as I have known you.

Mr. STUMP. Do counsel have any questions?

If there are no further questions, gentlemen, thank you very much.

The meeting stands adjourned.

[Whereupon, at 10:40 a.m., the committee was adjourned.]

[Information received for the record follows:]

PREPARED STATEMENT OF DONALD R. RUSSELL, NATIONAL COMMANDER, AMVETS

I consider it a privilege to be accorded this opportunity as the national commander of AMVETS to appear before this distinguished committee to present our organization's legislative goals. I wish to open my testimony by thanking the committee for the role it has played in the enactment of legislation benefiting our veterans in the first session of this 97th Congress. I would also like to acknowledge the great assistance which your staff, as usual, has accorded my staff. Without their cooperation and assistance, the AMVETS would not have been able to play as an effective role as it has.

By reason of time constraints, and with the permission of the chairman, I will orally high-light our aims and reques hat the written remainder of our legislative goals be incorporated into the record.

MEDICAL CARE PROGRAM

As did my predecessor, I, too, have chosen to begin my testimony on the Veterans Administration health care program. His concerns at the time were deep. If anything, our concerns in this area of health care for our veterans has grown even deeper during the past year.

It is true that the script has changed. No longer is the Administrator of Veterans Affairs and the Chief Medical Director assuring us that the quality of health care program will not suffer from the reductions financially imposed. The present Chief Medical Director has acknowledged that he cannot continue to operate a first class health care system on decremental budgets. Not enough funding is being appropriated to make up for the loss created by inflation.

While the Physician's Pay Act, of 1980, Public Law 96-330, helped to alleviate the critical shortage of physicians, funding to ease the nurses shortage by providing scholarships has not materialized. We understand that in July 1981 more than a thousand beds had to be closed down by reason of the nursing shortage. We would like to express our appreciation to the Chief Medical Director, Donald Custis, for the concentrated and valiant attempts being made to relieve the situation. While ingenuity and searching studies for solutions may help, the bottom line again is stymied by dollars.

In our opinion, there is none better in scope and function than the VA medical health care program. It is cost efficient, directed to its constituency, and modeled to serve its specific specialized needs. The diversity of its clientele in terms of variety of medical disabilities, its affiliations with the academic community of this country, its research programs, and its dedication of purpose to those whom it serves, makes it indeed a unique establishment. Yet, there are those who would change all this. There are those who would forget that the Nation, through the Congress of the United States, has said to the veterans who served that this is your health care system. And we believe that Congress intends to keep it so; this view, however, is not shared by all. Some would have the VA health care system absorbed into the private sector either through mainstreaming or a national health care program. The waters are always being tested as to whether or not this may be accomplished. The American Medical Association realizes according to prognostications that there will

be an excess of medical personnel in the years to come. This is obvious by the American Medical Association resolution number 111 which in effect provided for steering the sick and disabled veterans into private facilites to be cared for by private physicians.

The age of our veterans continues to increase. In the next 5 years the veterans of World War II will have the average age of 66 years. As they age, their medical needs become more acute and the demands imposed upon the medical health care system become greater. Yet, the necessary funding is not being provided to keep up with the demands. Should this trend continue, it is obvious that the VA will not be able to fulfill its commitment of providing health care to our veterans and the next step is the phasing out of the VA medical health care program.

As an organization born of World War II, and in sympathy with our comrades, the doughboys of World War I, we have been extremely interested in the area of geriatrics. We continue to be extremely grateful to Congressperson Margaret Heckler and members of this committee for their efforts on behalf of our aging veterans. We continue to believe that this problem, and it will be a problem of taking care of our aging veterans, presents a challenge which must be met by the Veterans Administration. Much must be done by delving into the mysteries of the aging process and what can be done to aid our senior veterans citizens. It has been our consistent view that innovative, creative, and yes, even daring, approaches must be resorted to in order to adequately treat the problem. We appreciate what the Veterans Administration is attempting to do in this area but we continue to feel that it is not moving fast enough and time is not being considered as of the essence in responding to this need. While we regret the elimination of scheduled hospital constructions, we are particularly disturbed that Camden, New Jersey, facility has been canceled. For this was to be a proto-type for the practice of geriatrics medicine. It was the only new hospital scheduled for this system. We feel that not only will the veteran be affected by this cancellation but so will the American people. The American community at-large has frequently benefited from the discoveries provided by the VA medical health care system.

In concluding my remarks on the veterans health care, I would like to invite the attention of the committee to the role played by the State veterans homes. We, in AMVETS, are extremely grateful to the various States which provide care for our veterans. While the Federal Government is most generous in providing funding, it is doubtful whether alone it could provide either the extent of care in quality or quantity as is now provided to our veterans without the States veterans homes. In our view, the ever increasing demands will continue to grow as our veteran population ages and the need for participation of States in providing for our veterans will ever increase. We see nothing incongruous with the States sharing in the costs to care for our veterans. We firmly believe that such joint endeavors should be encouraged by the Congress.

OFFICE OF MANAGEMENT AND BUDGET CIRCULAR A-76

We would like to comment briefly on OMB circular A-76 because of the seriousness with which AMVETS views it. A more detailed statement is attached to be made a part of this record.

AMVETS has testified in detail before this committee as to why it believes that OMB circular A-76 should not be applicable to the Department of Medicine and Surgery of the Veterans Administration. I will not reiterate the reasons. The bottom line is that we are of the view that the Department of Medicine and Surgery now processes the authority to contract out when it so desires. It should do so when management feels that it is advisable. The flexibility to do so should remain as a management tool. There is no need, in our opinion, for the constraints and mandates imposed by the circular.

AGENT ORANGE

During the 96th Congress, AMVETS testified before this committee urging a calm approach to what appeared to be a traumatic, explosive, and sensational issue. Allegations of birth deformities and innumerable ailments attributed to exposure to agent orange were alleged. At the time, there was no scientific support for these allegations. By reason of the prevailing hysteria, it was our position that we should await the results of any proof that the disabilities alleged were due to exposure to dioxin.

We continue to be of this view. At the same time, we are aware that the Veterans Administration has not proceeded with the urgent dispatch which we should have preferred to see. In a constructive way, we have encouraged our national service of-

ficers to urge all those who have been exposed to the defoliant to seek an examination and to see to it that their claims are documented so that they might be subsequently established. In this connection, AMVETS has issued a pamphlet entitled a self help guide in which we encourage all Vietnam veterans who have been exposed to agent orange to seek an examination by the Veterans Administration and the pamphlet outlines the various steps to be followed.

This publication has been favorably received and we hope in this manner through cooperation with the Veterans Administration to assist in resolving this very sensitive and important problem which faces our Vietnam veterans.

VETERANS EMPLOYMENT

In the view of AMVETS, there are two areas relating to the Vietnam veterans which require immediate attention. One is the resolution of the agent orange dilemma and the other is the matter of employment. While we are concerned with the unemployment of all veterans, that of the Vietnam veteran is particularly disturbing. He suffers A 1.2 percent higher unemployment rate than his nonveteran peers. And the unemployment rate of the Vietnam veteran appears to be growing. Hopefully, with the establishment of the position of Assistant Secretary of Labor for Veterans Employment, which has just recently been filled, advances in the area of veterans' unemployment will be made. A few months ago I addressed a letter to the President of the United States expressing our concerns and suggesting possible actions which might be considered to relieve the situation that exists in this area. These suggestions are incorporated in the appendage which I have requested to be made a part of the record.

FORMER PRISONER OF WAR

We are appreciative of the efforts of this Committee in behalf of the former prisoners of war which is reflected in Public Law 97-37. Yet, we believe that further studies in their behalf are required. The legislation enacted by the last session corrected certain inequities which existed. Still, as AMVETS has testified, the legislation has not been encompassing enough. We are of the firm view that these are certain areas of disabilities, particularly in the cardiovascular domain, which may be causally related to a wartime internment. We believe that further studies in this area are indicated as well as in other fields of medicine. There is evidence indicating certain neurological ailments as being causally related to wartime imprisonment. In fairness to this segment of our veteran population we believe that the Congress should mandate further medical and scientific studies. More detailed reasons for our beliefs are set forth in our written report.

PENSION BENEFITS

As this committee is aware, AMVETS was born of World War II. As a result, our comrades who fought in World War I are not eligible for membership in our organization. Nonetheless, we as veterans believe that as a group they are special. Their contribution to this Nation will never be forgotten and such legislation would be but a token expression of a grateful nation for their services. Their numbers are rapidly diminishing and their average age is in the mid-80's. If this Nation is ever to take steps to express its gratitude in a tangible way it must do so now.

As regards Public Law 95-588, the Improved Pension Act, we continue to be of the opinion that section 542 of Title 38 U.S.C., chapter 15, should be amended to increase the rate of pension to a child where there is no surviving spouse. We believe that the current rate payable is inadequate and completely inequitable.

CONCLUSION

With this I would like to conclude my oral remarks. AMVETS will continue to do what it can to assist this committee in its efforts in behalf of our veterans. In order to do this, we have added to our legislative staff. In a final note, may I express our appreciation for the contribution made by this committee to the veterans of our Nation.

Thank you Mr. Chairman and members of the committee for the courtesies which you have extended to me and my staff.

VA MEDICAL CARE PROGRAM

Our greatest concern continues to be the erosion of the VA Medical Health Care Program. Over the past few years, thousands of beds have been closed and thou-

sands have been removed from the rolls of the Department of Medicine and Surgery. We appreciate that these are times of fiscal austerity and we are in accord, generally, with President Reagan's attempt to balance the budget. We also realize that in order to accomplish this, contributions will have to be made by all communities of our society.

Yet, we view these reductions in the capabilities of providing the necessary health care to our veterans as a threat to the system itself. There are many forces at play which for their own interest would like to see the VA Health Care System absorbed into the private sector. While there may be protestations that this is not so, it is difficult to reconcile the increasing demand placed upon the system by reason of the increasing age in numbers of its clientele, the veteran, upon the system and the increasing reduction in the number of beds, personnel, research, and construction. These are not actions to promote a growing and viable system needed to meet its increasing demands.

More than 34,000 beds have been removed from the Veterans Administration system since the end of World War II until the last fiscal year. Translating the latest budget cut as proposed by the Reagan Administration, there will be a loss of 5,000 medical care personnel and a reduction of the average daily patient population both in inpatient and outpatient of 3,000. The proposed reduction of $455 million includes $296.9 million from VA medical care, $56.3 million from major VA construction projects, $55.8 million from general operating expenses, and $22.5 million from medical and prosthetic research.

It appears that the reduction in the number of beds previously indicated as from 84,000 to 72,000 in the next few years may have been optimistic.

These budgetary slashes of $297 million in medical care and a $150 million reduction in hospital construction, research, and medical administration, are bound to affect the quality of the health care provided by the VA system. The next step, whether intended or not, is to phase out the veterans' medical health care programs.

Should the Congress permit this to happen, it would be reneging on the promise made to the veterans who have served this country. For the Congress has intended and has declared that the VA Medical Health Care System was established for the veteran and belonged to the veterans. And as AMVETS has reiterated time and time again, we view this cost of medical health care for our veterans as an extension of the inevitable cost of wars which we have fought. As a corollary, we view the VA Department of Medicine and Surgery as the principal backup resource to the Defense Department in the event of an emergency. It appears only natural that the Veterans Administration should provide immediate care for battlefield casualties and serve as the primary backup resource. None is better equipped than the Veterans Administration both as to staffing and equipment to deal with the type of cases which would be encountered in treating military casualties.

While we do not believe that such plans are necessary in order for the Congress to provide the necessary health care for its veterans, it is a matter which should be taken into consideration.

We continue to oppose any concept that the Veterans Administration should in any manner share the responsibility of the 130,000 empty beds found in the civilian hospital sector. The situation was not created by the Veterans Administration and should not be corrected at the expense of the VA Health Care Program with its entirely different needs. Nor should the needs of the local Health System Agencies determine the hospital construction needs of the Veterans Administration. There is no logical reason why the VA plans for hospital construction should be subjected to their approval since the systems are not interrelated.

AGENT ORANGE

AMVETS from the beginning has pursued a moderate course on this very controversial emotional issue. It has been our view that until the scientific evidence is in, a wait-and-see attitude should be pursued. It was felt to be unfair to the Vietnam veterans and their spouses to accept conclusions which were not medically established.

At the same time, we advocated an attitude to be assumed by the Veterans Administration of time being of the essence to resolve this matter. We have urged at every opportunity that greater haste be given to the resolution of the scientific and medical problems presented. We have expressed our impatience at the pace at which the solutions were being pursued. In the interim, our organization was encouraging the Vietnam veteran to seek an examination and to document his claim in the event a causal relationship between disabilities and exposure to Agent

Orange be established. To assist the Vietnam veteran, AMVETS has issued thousands of pamphlets to guide the Vietnam veteran in documenting his case should a causal relationship between exposure and disabilities claimed be shown. We have encouraged the Vietnam veteran to seek an examination by the Veterans Administration which is his right to do.

Numerous studies on this subject are being currently pursued. It is our intention to urge their conclusions with rapid dispatch. It is our intention to oversee the results of these studies both as to adequacy and fairness. It is our intention to pursue to a logical conclusion that any benefits due to the Vietnam veteran by reason of such exposure be granted to him by the Congress of the United States. We will be actively engaged in any proposed legislation dealing with this subject. We will assure that all benefits that can properly be granted to the veteran are allowed.

PENSION

We continue to be of the opinion that the Improved Pension Act, Public Law 95–588, which has been in effect for a short time, has imperfections which should receive the attention of this Committee. We continue to be of the opinion that the rates set for dependents are inadequate and particularly those provided for a child where there is no surviving spouse.

Regarding our comrades of World War I, AMVETS has been mandated by its past Conventions to favor a pension for our World War I veterans. Even though we are an organization born from World War II, without World War I members, we favor a special pension for this very special group of veterans. They number less than a half million. Their average age is approximately 85. A pension if it is to be granted should be granted now. Its cost should come within current fiscal restraints. The sacrifices made by this group of patriotic Americans can very be measured nor repaid. For us who served afterward there can be none more noble than those who had served before us. Whether the country owes him this is not really germane. The real issue is whether or not the country should express its gratitude for their contribution. We believe the answer is obvious.

EMPLOYMENT

When the Vietnam combat veterans came home, the "boom times" of the late 1960's were over. They found an unresponsive job market and very little government employment assistance.

This neglect of the vital employment readjustment of Vietnam veterans has created unemployment statistics which have consistently hovered between 300,000–500,000 since 1971.

AMVETS urges the initiation of a comprehensive national employment program aimed at training and placing unemployed Vietnam veterans in the private sector work force. Briefly outlined, the general concept of such a program are:

A Presidential Proclamation announcing a major employment and training program specifically for Vietnam Era veterans.

A directive from the White House calling for the participation of all private sector employers and designating the Veterans Administration and the Department of Labor as lead agencies with instructions to the Department of Labor's Assistant Secretary for Veterans Employment and the VA's vocational rehabilitation and benefits office to coordinate internal program activities.

The creation of a system of tax incentives and/or direct reimbursements which combined with the newly extended G.I. Bill educational benefit would serve as the means to attract private sector employers and Vietnam Era veterans to the program.

The utilization of the existing Disabled Veterans Outreach Program (DVOP) as the mechanism to locate, train and place Vietnam Era veterans in the program and for local level job development. The State Directors for Veterans Employment and their assistants, which are under the purview of the Labor Department's Veterans Employment Service, could easily perform state-level monitoring duties, as well as maintaining employer contracts.

OMB CIRCULAR A–76

In view of the enactment of Public Law 97–66 which was signed by the President on October 17, 1981, I will not comment upon the cost of implementation of the Circular versus the potential cost saving features since the Law precludes the Veterans Administration from conducting any further studies on the feasibility of contracting out. As this Committee is aware, the Congress has indicated that no further steps

should be taken to implement Circular A-76 cost comparison studies in the VA health care facilities unless the Congress has expressedly made such funds available for that specific purposes. As a note in passing, it may be observed parenthetically that the VA estimates that it would cost $29 million for the approximately 4,000 studies required under Circular A-76.

At the onset I might indicate that AMVETS has no argument with the over-all concept of OMB Circular A-76 insofar as it relates to competitiveness and the selection of the most cost effective services.

What is wrong, as we view it, is that its provisions are too broad in application and fail to take into consideration good managerial precepts which are applied on a continuing basis. Perhaps more importantly, it fails to take into consideration that certain services, such as health care, cannot be evaluated or measured in terms of dollar values.

AMVETS believes in the competitive system and we embrace the concept of utilizing services which prove to be most cost effective. But at the same time we are also convinced that there are certain services which cannot be measured or equated in terms of money or dollars. There are certain products in the form of services which do not lend themselves to a profit or loss evaluation and any attempt to do so in terms of services provided by the Veterans Health Care Program would be anachronistic.

Under Department of Medicine and Surgery of the Veterans Administration, $622 million were expended in Fiscal Year 1980 for maintenance, repair and operation of Va health care facilities, almost half of that amount was expended through contract services. And the trend seems to be towards an increased reliance upon the private sector for various functions such as ambulance service, garbage and refuse collection, plant maintenance, insect control, etc. This tendency has occurred because of improved management techniques and realizations. In our view, management should continue to exercise its expertise in the realm of realities as exist under given circumstances rather than by following stereotyped dictates of a written instruction.

AMVETS is opposed to the application of the provisions of OMB Circular A-76 to the Department of Medicine and Surgery of the Veterans Administration in any of its operations. We believe that a more effective system can be accomplished through the use of managerial prerogatives as determined within the purview of existing circumstances.

Public Law 95-479 required the Administrator of Veterans Affairs, in consultation with the Secretary of Defense, to carry out a comprehensive study of the disability compensation awarded to, and the health care needs of, veterans who are former prisoner-of-war. As a result of this study, Public Law 97-37, Prisoner-of-War Health-Care Benefits Act of 1981 was enacted.

In our opinion, the legislation does not go far enough. There is no dispute that the Veterans Administration claims folders reveal paucity of repatriation examinations in the case of former prisoners-of-war. Yet, the legislation does not correct this deficiency by possible administrative actions which could be taken. Possible presumptions are not proposed except in the neuropsychiatric area. This, even through certain presumptions relative to specified disabilities might be in order. For example the study concedes that the POW experience was characterized by starvation diet, poor or non-existent medical care, death marches, executions and torture.

Medicine is an inexact science which has its limitations. We fully realize that medically it is extremely difficult to establish the genesis of certain diseases. But there is a reasonable basis for raising the query as to whether or not the physical experiences while a prisoner-of-war may not play a role in the development of subsequent cardiovascular or neurological disabilities. When it cannot be determined by medical science as to whether a causal relationship exists, resort must be made to other means. Perhaps, resort should be made to empirical evidence such as was done in the study conducted by the National Academy of Science relating to the effect of amputations upon the cardiovasuclar system. This study, also mandated by Congress, resulted in the grants of service connection for the cause of death in cases which prior thereto would have been denied.

Numerous studies have been conducted by various countries throughout the world relating to the affects of incarceration. They have touched upon every possible conceivable disease suffered by mankind. We cannot but feel that the affects of stress, maltreatment, and incarceration may play a role in the development of cardiovascular diseases and certain neurological diseases.

DEPARTMENT OF VETERANS BENEFITS, VETERANS ADMINISTRATION

The Department of Veterans Benefits is charged with the administration of various benefits administered to our veterans and their dependents. It adjudicates the compensation, pension, and DIC benefits which are received by its beneficiaries. It sees to it that home loans are made, that school benefits are granted, and that the veterans are counseled. Obviously, it plays a vital role in the administration of all the veterans benefits. Yet, each time there is a cut in the budget, it is the Department of Veterans Benefits which feel the greatest impact. This, for the simple reason that the Veterans Administration Budget is comprised chiefly of entitlements established by law and which cannot be disturbed. Therefore, a cut in personnel is the only possible solution. Yet, it shouldn't be, for personnel provide services and services in an organization such as the Veterans Administration is really the name of the game. Notwithstanding this reality, the budget cuts for fiscal year 1982 call for a reduction in regional office personnel of 2,373. An additional 218 will be slashed in fiscal year 1983. It is obvious, that such decrease in personnel will seriously curtail the delivery of benefits to our veterans.

While we are in accord with the general concept of decreasing cost by the elimination of waste and duplication, we are concerned about the budgetary restraints being imposed upon the delivery of the VA benefit system. We believe it to be unfair to impose unreasonable demands upon the Department of Veterans Benefits. We commend Dorothy Starbuck, the Chief Benefits Director, for her insight and attempts to achieve the element of efficiency in her operations.

G.I. BILL

The First Session of this Congress has seen the veterans and armed services Committees devoting a great deal of time to the preparation of a G.I. Bill which would provide benefits for or present and future members of the military services. The various bills before the Congress have dealt with the concept of providing legislation as a recruitment and retention measure.

While we have viewed the various proposed bills as leaving much to be desired, we have in effect testified in favor of the measures. We have done so from the desire to assist in alleviating the problems of the military and maintaining a Voluntary Army. Most of the bills introduced were neither Department of Defense bills, nor Veterans Administation bills, being a melange of both. Some of the provisions of the proposed legislation would be administered and funded by the Department of Defense and other provisions would be administered and funded by the Veterans Administration. We are of the opinion that benefits strickly of Department of Defense origin and militarily oriented should be funded and administered by the Department of Defense. This on a theoretical basis that the Veterans Administration is entity unto itself established for the sole purpose of administering benefits to veterans and their dependents.

Apart from these philosophical distinctions, AMVETS is in favor of legislation which would assist the military to recruit and retain personnel in the Voluntary Armed Forces. This in the absence of a Draft which we have consistently advocated as being indicated in the present world climate. It obviously follows that in being favor of a Draft, AMVETS favors registration.

While this entire subject is not within the jurisdiction of the Committee, we would express our continuing belief that the Voluntary Army which was begun in 1973 has not been a success. While we are encouraged by the Report of the Secretary of Defense Weinberger that the recruitments were up, we cannot help but wonder what the impact of an improved economy might be upon recruitment. Should this continue, it is questionable whether there would be a need for a peacetime G.I. Bill.

JUDICIAL REVIEW

AMVETS has advocated for the past several years a limited form of judicial review which would subject the decisions of the Board of Veterans Appeals to a review by a District Federal Court. Such a review would be limited strictly to the legality of regulations and legal pronouncements of the Administrator and would not decide a case upon the merits. The Board as the final appellate body is bound by the regulations issued by the Administration as well as the opinions of the General Counsel and the promulgated Administrators' decisions.

The Veterans Administration has taken the position that such legislation is not required inasmuch as the courts have been assuming jurisdiction even though Section 211, Title 38 U.S. Code provides that the decision by the Administrator shall be final and not subject to judicial review. While it is true that some courts have for

many years been assuming jurisdiction in spite of Section 211, it is our opinion that many courts have refused jurisdiction by reason of Section 211. Therefore in order to insure uniformity in the judicial review of cases, we believe specific legislation for this purpose should be provided.

We realize that administrative law has its place in American jurisprudence. And, we do not wish to add to the already heavy burdens of the judiciary. However, it has been historically the role of the judiciary to pass upon the interpretation of laws. Under the present procedure of the Veterans Administration, this prerogative of interpreting the laws of this land are in effect being exercised by the General Counsel of the Veterans Administration. We believe that this function belongs to the judiciary. In our opinion it would not result in any extensive case load or be a burden upon the court if it were to confine its determination to the interpretation of law only.

Were the courts to be granted jurisdiction through specific legislation, a psychological advantage would also accrue. The veteran would not feel that he was being left out from the judicial process or that he was being denied a right which is enjoyed by others.

CONCLUSION

In concluding, I cannot help but observe that no legislation has so disrupted the veterans community since the enactment of the Improved Pension Act of 1978 as was the restrictions placed upon entitlement to burial benefits. We readily appreciate that this resulted from the reconciliation process of the budget. Yet, we do believe that the Congress was not fully aware what the impact would be in eliminating the eligibility for this benefit which was first created by the World War Veterans Act of 1924. This benefit has been in effect for more that half a century. It is a benefit which the veterans view as theirs and the only one that many will receive for their services rendered in the Armed Forces of the United States Government. We urge that this benefit be restored in its entirety.

This concludes my testimony. Thank you.

PREPARED STATEMENT OF DUANE T. BRIGSTOCK, NATIONAL COMMANDER, MILITARY ORDER OF THE PURPLE HEART OF THE U.S.A., INC.

Mr. Chairman, distinguished members of the Committee on Veterans' Affairs, I feel privileged to be here today and to be allowed to take a few minutes of your valuable time.

The legislative position of my organization has been provided to your committee and I feel certain that it will be closely considered and included in the Congressional Record.

I do not intend to impose on your busy schedule by reading our position. Instead, I would like to take this opportunity to make a few personal observations and to focus in on what we expect from you.

Your committee has scheduled hearings during which other veterans' organizations have made, or will be making, their legislative programs known to you. I have read some of their statements and am privileged to hear others today.

This leads me to the first point I wish to make. That is, that all of the veterans' organizations are oriented toward supporting the veteran. The impact each organization is able to make varies with the size of the organization and the means it has available to it. We appear to act separately, as we come before you, but, I can assure you we support common goals and objectives and are quite capable of acting in concert should the situation warrant.

The Military Order of the Purple Heart makes up in dedication to combat wounded veterans what it lacks in size. It is obvious that we stress the needs of the combat wounded veterans as our top priority. This is not to say that we do not extend our full support for all other veterans. Accordingly, I wish to state now, that the Military Order of the Purple Heart fully supports the concerns and recommendations set forth in the statements of my colleagues from the other veterans' organizations as I feel certain that they support my own.

Mr. Chairman, we fully recognize the difficulties that Congress is having with the Federal budget and understand that cost-savings no doubt will have to be realized. We ask that you continue your vigilance to insure that no legislative maneuvering during the development of various courses of action catches the veteran in a situation that will deny him those benefits that this committee has so ably supported.

Because of our Nation's economic situation, I believe now, more than ever, an even closer working relationshiup must be developed between Congress, through

your committee, and the veterans' organizations. Under the spectre of the current budget deliberations, which cannot have other than an eroding effect on veterans' entitlements, who can we look to for help other than Congress and the voters who make their desires known to you.

For years the veterans have heard great promises from each administration, yet, when the opportunity to fulfill this commitment occurs, there is a weakening and evasiveness to that commitment leaving the veteran in a quandry. We ask you to insure that the desire to cut the budget does not take precedence over these commitments while at the same time realizing that we must look to Congress to help us in our fight.

Mr. Chairman, together we must work to eliminate the continuing changes or threat of change that would endanger veterans' benefits and leave our veterans confused. An example is the proposed 8.1 percent increase for compensation which is a gain but the proposed elimination of dependency allowance for those rated less than 50 percent disabled is totally detrimental. This is the type action that presents uncertainty to the veteran because the veterans' benefits would be reduced overall. This kind of proposed legislation fosters the questionability of the sincerity of our Government concerning veterans' benefits. We are gravely concerned that each administration and many old and new Government officials appear to have the attitude that veterans' benefits are fair game for reduction whenever it comes to preparation of the Federal budget. Our veterans paid a terrible price to insure our liberty and we must exert every effort to protect them from those who refuse to recognize their sacrifice. We ask you to keep fighting against reducing veterans' benefits because without you and your colleagues who support the veteran it would not be long before they would be relegated to a classification of a welfare recipient. Our veterans do not deserve this and I am positive you will not let it occur.

The Military Order of the Purple Heart has always made an effort to be objective and to approach veterans benefits with a strong degree of moderation. We are service-connected veterans yet we support all veterans. The proposed Veterans' Administration budget for fiscal year 1983 causes us concern in some areas but especially their proposal for elimination of dependency allowance for veterans rated less than fifty percent disabled and the elimination of the subsistance allowance for vocational rehabilitation dependents is severe and we non-concur in the strongest terms possible with this proposal. The proposed budget for health care is acceptable and we hope that it is the beginning of a firm recognition of need and not a temporary respite because of the time.

Mr. Chairman, for several years we have watched an unfavorable evolutionary change in the philosophical and ideological approach to veterans affairs. This changing attitude is being manifested in varying degrees by both our elected and appointed Government officials. We attribute part of this to the increasing numbers of non-veterans occupying positions that can influence the policy and the decisions affecting veterans' benefits. These individuals apparently do not fully understand the sacrifices our veterans have made and continue to make because of their wounds so we may enjoy the liberty we have in this great Nation of ours. It is further exacerbated by those who would place veterans under the spectrum of their total social welfare syndrome that permeates their every thought concerning benefits or entitlements, instead of recognizing the special status that this Nation has bestowed on our veterans. This concern has been discussed with the Administrator of the Veterans' Administration. He cited examples to me that he was contending with and that he was in the process of reorienting the individuals and redefining policy to conform to the purpose of the Veterans' Administration.

This attitudinal change worries us because like you, we have witnessed this change and see it continuing. It has been manifested by attacks on virtually every veterans' program, including attempts toward their elimination, to underfund or to not fund at all. We also have heard of a recent proposal that is designed to combine or to integrate veterans' benefits into other social program entitlements. This action would probably reduce or, in some cases, even eliminate certain veterans' benefits. It would also deny the veteran benefits from other programs that he has contributed to or is entitled by law. We cannot support those proposals that will deny our combat wounded veterans the support that this Nation has provided to them and which we believe the Nation wants continued.

Believing this, the recent change denying burial allowance to those not in receipt of or entitled to compensation or pension has caused us concern. We addressed this issue to you earlier this year and ask that our concern be translated into authority and funding.

Similarly, we view the planned reduction of beneficiary travel by $17 million as an act that will in most instances hurt those veterans who can least afford this ex-

penditure. It could result in many veterans not receiving medical care because they are unable to defray the cost of travel to a medical facility. We ask that you review this issue again and its potential impact on the veteran. We know cost-savings are necessary but this may not be the area to realize it.

Continuing studies by the Veterans Administration on the aging veteran are necessary, but there must be a time limit, a decision rendered, and actions begun. The aging veteran is here now and the ranks increase every day. As yet there is no firm, long range plan to provide the requisite care to these veterans. We ask for your oversight on this matter for the field of gerontology will be a paramount issue with the Veterans Administration in the very near term: Probably we will see a major impact within three years.

There is a commaraderie that prevails among our membership because of our unusual ties. We are the combat wounded. Accordingly, we are deeply concerned with the Veterans Administration's rating schedule, specifically that portion that deals with evaluations assigned combat wounds. The Congress authorized the Veterans Administration to write the rating schedule. The Military Order of the Purple Heart endorsed the 1945 edition when it was originally edited. Since its issuance there has been no material change in evaluating combat wounds and I hasten to add that no portion of the rating schedule is more comprehensively stated than is this section. It covers the better part of five pages of the schedule, page 17 to 22.

The instructions are clear and I quote verbatim the portion pertaining to moderate disability of muscles, "through and through or deep penetrating wounds of relatively short track by single bullet or small shell or shrapnel fragments are to be considered as of at least moderate degree". Further, to fortify the intent of the Veterans Administration to provide a moderate evaluation in retained metallic bodies in the muscle, under the slight evaluation, the last sentence under "objective findings" states "no retained metallic fragments". As we interpret this, it was intended to mean if there are retained foreign metallic bodies that the evaluation of the muscle injury should be moderate in degree.

The reason for us calling this section of the schedule to your attention is that in our judgment there has been a gradual deterioration in applying the liberal provisions of the rating schedule, probably more prevalently from the beginning of the Vietnam war.

There may be many reasons for this deterioration. Perhaps the most important is that the wounds of the victims of the war in Vietnam were not as disabling as the same type of wound of our World War II and Korea veterans. Secondly, the pervasive negativism that abounded during this conflict, and thirdly, the general apathy of the public: The farther we get away from war, the sooner we forget those who made the sacrifice.

As national commander of the Military Order of the Purple Heart, I would be derelict in my duty if I failed to bring my concern to your attention. I think this issue could be resolved without too much of a problem if the Veterans Administration would join with me in my effort to restore compliance with the pertinent section of the rating schedule.

The combat wounded veteran represents a very small segment of those who served their country with honor but those who so served were threatened on every side with destruction. In the interest of equity, the World War II, the Korean, and Vietnam veteran all should be compensated equally for the same type wounds. We believe this is not only in the interest of justice but in the best interest of our national defense. Should our sons or grandsons be required to serve on the battlefront, they will need to know their country will stand behind them should they become disabled in combat. Mr. Chairman, the cost of war does not end when the last shot is fired. All we need to do is visit our VA hospitals.

The Purple Hearters know the trauma of the battlefield and the hope that each soldier has to return home. Because of this experience, we express our gravest of concerns over the continued lack of a resolution on our missing in action and prisoners of war from the Vietnam conflict. This is intolerable. We feel a close kinship to these comrades-in-arms and in the strongest terms possible we ask for them—because they cannot—that this government take the strongest action possible to bring back those who are alive and to recover the remains of those who are no longer with us. Remember, the war cannot be over even if only one of our soldiers is a prisoner.

Mr. Chairman, similarly, we veterans owe what we have today, in a large part, to our fellow soldiers of World War I. They probably are the most put upon group of veterans in our lifetime. Now that they are in the ebbing twilight of their years, these heroes of ours are asking for compassion, understanding, and a last recognition of their devoted service to their country. It is passage of H.R. 1918. We ask you

in your infinite wisdom to do all that you can to grant what is probably their last significant request.

We support a strong national defense and the necessary expenditures related thereto. However, we expect the Congress to maintain strict standards of accountability to ensure the most effective use of these funds. Further, the implementation of the draft is a reality; we support it along with adequate remuneration. This action will encourage retention of current and future military personnel.

Mr. Chairman, I realize that this may not fully fall under this committee's jurisdiction but the recent ruling by the U.S. Circuit Court of Appeals that Congress violated the Constitution by granting tax exempt status to veterans organizations that lobby, has potential far reaching consequences. The case has been returned to the district court level with instructions to remedy the constitutional problem either by restricting the tax benefits accorded veterans' organizations or extending those benefits to charitable and educational organizations engaged in lobbying. Judge George E. McKinnon, in a dissenting view, wrote, "veterans' organizations are essentially different in character from other charitable and educational groups. (Congress) has recognized that veterans groups are unique entities having differing structures and differing purposes." We ask for your vigilance in this matter and for appropriate actions to preserve what Congress has provided to the veterans.

Mr. Chairman, 1982 is a special year for the recipients of the Purple Heart. It is the 250th birthday of General George Washington who initiated the badge of military merit now known as the Purple Heart. It is the 200th anniversary of General Washington's signing of the general order for this award, and it is our organization's 50th anniversary. Appropriate ceremonies commemorating these events are being conducted across the Nation. We will highlight these events on August 7th at Newburgh, New York at the site of the encampment where General Washington signed the General order for the Purple Heart.

Mr. Chairman, I would like to extend an invitation to you and the members of your committee to join us in New York on August seventh.

Mr. Chairman and members of the committee, the Military Order of the Purple Heart is indeed in your debt. We have constantly relied on the efforts of you and your excellent staff to keep the interest of the veterans before your colleagues. We wish to thank all of you for your personal interest and wish you continued success in achieving the objectives of meeting the needs of our veterans. We totally support you in this endeavor.

Thank you, Mr. Chairman, for this opportunity to appear before you today.

LEGISLATIVE PROPOSALS MILITARY ORDER OF THE PURPLE HEART OF THE U.S.A., INC., FOR THE VETERANS AFFAIRS COMMITTEE, APRIL 29, 1982

The Military Order of the Purple Heart is pleased to once again appear before this committee to present our legislative program for 1982. Although we are not always on agreement with the different positions taken by the committee, we do appreciate the fact that we have the opportunity to present our opinions. The attitude of the committee and the staff has always been one of cooperation so our occasional disagreements can remain friendly. We do appreciate this spirit of cooperation.

The major concern of our organization, and a point where some disagreement will always arise, is that of the veterans administration budget. The V.A. was created to offer constructive leadership in the field of veterans affairs, to administer laws that related to veterans, and in the often quoted words of President Lincoln, "to care for him who shall have borne the battle, for his widow and his orphan." Without adequate funding, the Veterans Administration cannot carry out this important mission.

The fiscal year 1983 budget has been put together very well. Considering the current economic stituation, it is perhaps a little better than some of us might have expected. However, we do not mean to imply that we consider the budget to be adequate or sufficient. We do find a glaring deficiency in the proposed savings. We strongly oppose any so-called savings that will come at the expense of the service-connected veteran. The dependency allowance for the 30 percent and 40 percent disabled veterans became a fact only after very careful study by the Congress. A need was clearly demonstrated. Is the administration suddenly saying that the need no longer exists? If a veteran suffered the loss of a leg below the knee, can it now be said that the loss is not as serious as it once was? We are strongly opposed to any proposed "savings" in compensation.

The proposed savings in the Pension and DIC programs are difficult to accept. We must remember that a means test is applied in these cases, so a genuine need does exist. Another important area of concern is the small business loan program.

We do not find any funding for this program in the budget. The program only came into existence with the approval of PL 97-72. It hasn't even had a chance to get started. This is a loan program, meaning that the money will eventually return thus making the cost insignificant.

Three studies are being proposed that we disagree with. One, on implementation of OMB circular A-76, has no place in the V.A. system. We hope to see this idea come to an early end. Another study would look at the needs of the aging veteran. Earlier studies have identified many needs in this area. We do not see what another study would accomplish. The last one, on user fees for non-service connected veterans is, in our opinion, an item where the income derived will very likely be less than the cost of administration. The monies allotted for these studies could easily be diverted to the nurse scholarship program to preserve this valuable recruitment aid.

To go a step further on the needs of the aging veteran, some of the health care needs of the World War I veteran were met with the enactment of Public Law 96-151. However, there is a servere shortage of nursing and domiciliary care beds. The average age of all our living veterans is 48 years. A very significant number will be reaching the age of 65 in the coming year. The need for geriatric care is rapidly increasing. Authority for expanding geriatric health care services can be found in 38 USC, PARA 4101(f). We ask that this authority be fully used.

We are pleased by the proposed level of funding for assistance in the construction of State Veterans Homes. While we are pleased, we ask the committee to consider an increase to $25 million over the next few years.

Many States are without national cemeteries. The proposed budget does include funds for assistance in establishing State veterans cemeteries. This will be indeed helpful and we hope to see this funding maintained in future years.

The inflationary spiral has had a severe impact on the aging veteran. We ask the committee to establish a pension for the World War I veteran. Existing proposals are modest enough and the need clearly exists.

Looking at other matters in the area of benefits, the V.A. does consider service connection for cardiovascular disease suffered by those veterans with leg amputations. As we understand the original research, the study was to include arm amputees as well. We feel there is a need for further research on this point.

Permanency is establised for disability ratings that are in effect for twenty or more years. It should be obvious that is does not take this long to determine whether or not any significant medical or psychological improvement can be expected. We propose changing this rule to a period of ten years, or even less.

We find that periodically, some questions arise about third party in theory. However, as a practical matter, we have second thoughts. This form of reimbursement might be difficult to administer and it may raise legal questions as well. It may well be an item better left alone.

Mortgage life insurance is available from the V.A. for those veterans who are entitled to the adaptive housing grant. Yet, there are many other disabled veterans who have problems in qualifying for this insurance from a commercial source.

Standards for benefit entitlement with upgraded discharges are clearly defined in 38 USC PARA 3103(a). At various times we find proposals to change these definitions. We are opposed to any change in this rule that would downgrade the existing standard.

The V.A. outreach program, or vet centers, has a considerable potential for accomplishment. In our appearance before the committee last year, we asked for expansion and extension of the program. While we realize that we were not the only organization with this request. We certainly are pleased to see that the Congress acted favorably on our suggestion.

Potential health problems that may result from agent orange exposure is a major concern of our organization. While we can easily become impatient with the progress of the many ongoing studies, we do recognize and support the efforts of the inter-agency work group on phenoxy herbicides. We only wish that more could be accomplished in a shorter time span. We ask the committee to ensure that present efforts continue in a timely manner, and that information be released as it becomes available.

As noted earlier, we are concerned with OMB circular A-76. We strongly feel that the V.A. must maintain full control over it's facilities. Any implementation of A-76 would weaken and possibly destroy this control. We do not feel that any health care can be contracted out without placing limits on the quality of the care.

Turning to the subject to annuities, we have several items of concern. As our first point, we would like to see concurrent payment of military retirement and disability compensation. For those who are receiving survivor benefit plan annuities, we would permit concurrent payment of SBP and DIC benefits.

Enrollment in the survivor benefit plan is open at the present time. We ask that such open periods take place at regular intervals, perhaps on an annual basis. Anyone who does not participate initially, should have later opportunities to change this decision. Those who are enrolled, should also have an opportunity to make later changes.

Social security benefits do have an adverse impact on SBP benefits. We ask the Congress to take a good look at this situation. When social security eligibility exists, we ask that concurrent payment be allowed.

Proposals do exists in the Congress to allow apportionment of a military or civil service annuity to a former spouse with little regard for the reasons that caused dissolution of the marriage. We feel these proposals to be ill advised. Each of the different States has its own laws regarding alimony and child support. The State courts have enforcement authority and any action on the Federal level may tend to create more confusion in what is normally an emotional issue.

Unemployment for veterans is reaching a very high point at the present time. We can find well conceived programs to assist the unemployed that have had little success, or have had mixed results. We want to point out that these programs can be very successful with conscientious administration and full compliance with the law. All too often, these last two points have been missing from the programs. We find situations where a program is well monitored, where problems are identified, but where no corrective action is ever taken. Blatent non-compliance is often allowed to exist unchecked. New employment and training initiatives are being proposed. At least one will separate the veteran from these proposals by creating a distinctly separate veterans program. However, if present monitoring and compliance procedures continue to exist, we can only expect the same mixed results. With the expected shift into block grants, the veteran may find it more difficult to receive employment related services. The present requirements for services to veterans must be maintained in any block grant approach. Without proper monitoring and compliance, the monies for the program can easily be poured down the drain.

We ask for full staffing in the veterans employment service in accordance with 38 U.S.C. para 2003. In addition, we feel that additional staffing is often needed in the major population centers. The residency requirement found in 38 U.S.C. para 2003 is an item that we feel is not needed. We hope for a point in time where all RDVE's and SDVE's will be appointed from the field staff.

Another point concerns clerical assistance for the VES field staff. In the past, the field staff relied on CETA or WIN participants for this help. These participants are no longer available. The responsibility of the VES staff almost demands clerical assistance. Allowances should be made for help from SESA's, or from new employment and training.

The recent legislation to expand and outstation DVOP aides should help create more employment opportunities for the veteran. In this program, we ask that all funding be maintained apart from any block grant arrangement.

We applaud the present's efforts to build up the military establishment. Our nation needs a strong and resolute position in dealing with the other nations of the world. We are concerned that in attempts to improve weapons systems, and to create new systems, we do not lose sight of the fact that our conventional forces are in need of upgrading. Since the reserve components are a vital part of any mobilization, efforts must be made to improve these groups as well.

Much public concern has been expressed at the size of the defense budget. We expect the Congress to maintain strict standards of accountability to insure the most effective use of the funds.

Our final point concerns missing Americans. We have been very disappointed by the attitude of past administrations regarding those who are still missing in Southeast Asia. The number of live, first hand sightings has now reached the four hundred mark. Many of those who offered information were given polygraph examinations and we are not aware of any who may have failed this test. Quite a few of these sightings did come from foreign nationals, not just from refugees. It appears very obvious to us that many Americans are still being held in prison camps. We ask the Congress to make every effort to discover the truth and to bring these men home. We feel that the State Department should intensify their efforts on this issue.

This completes our statement and we thank the committee for this opportunity to present our opinions and our legislative goals.

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